

# UGREEN Board Meeting

May 18, 2010

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# Performance Evaluation

- **Continue to build relationships with important contacts**

- Priority Meetings:

- UGREEN Board Members ✓
    - Phil Powlick (Director, Utah Division of Public Utilities) ✓
    - John Harja (Director, Governor's Public Lands Policy Coordination Office) ✗
    - Ted Boyer (Chairman, Utah PSC) ✓
    - Jim Gazewood (BLM, Utah Renewable Energy Program) ✓
    - Al Walker, Perry Thomson, Rob Simmons ~~Ted McAleer~~ (USTAR) ✓
    - Rick Mayfield, (Military Installation Development Authority) ✓

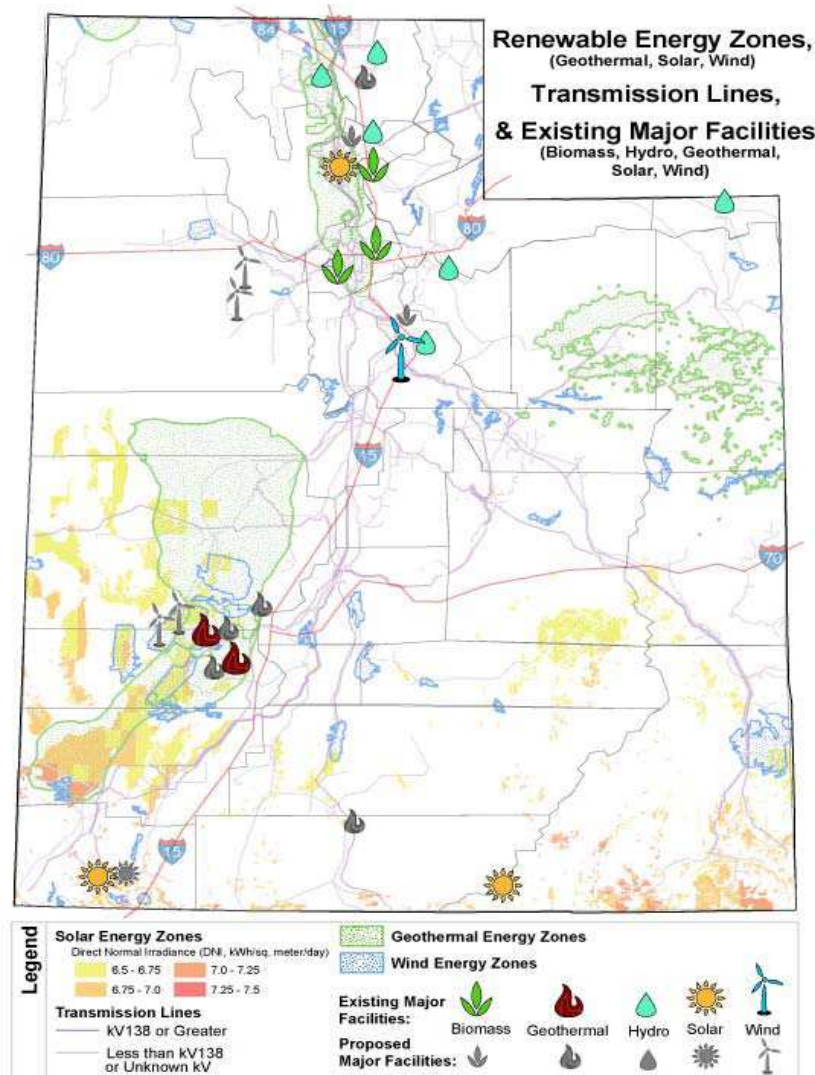
- **Gain preliminary understanding of Utah's transmission landscape**

- Rocky Mountain Power/WECC/FERC: Transmission maps, capacity, growth ✓
  - Understand major areas of congestion and where capacity is needed ✓
  - Participate in remaining UREZ meetings and provide summary report to UGREEN Board (June 2010)

- **Start to understand possible funding resources and build strategy around obtaining relevant funds**

- Study existing infrastructure authorities: NM, WY, CA and provide report to UGREEN Board
  - Meet with other independent state agencies to gather best practices for establishing new and independent entities (i.e. MIDA) ✓
  - Preliminary matrix summarizing renewable generation/transmission incentives ✓
    - Federal grant programs, private foundation grant programs, rate of return rulemaking, tax incentives
  - Meet with public finance experts to understand the market in Utah ✓

# Renewable Energy Resources, Current Transmission in Utah



- WECC maps of current and planned transmission capacity
- RMP Congestion Map
- RMP Energy Gateway Transmission Project Maps
- SITLA land ownership in Utah map
- AGRC Electric Transmission and Sub-stations map

Bottom Line: Utah/WECC transmission is moderately to severely constrained in important renewable corridors

# Preliminary matrix of possible funding resources

Public Sector	Foundations	Other
American Recovery and Reinvestment Act of 2009	The Energy Foundation William and Flora Hewlett Foundation: Environment The Connect U.S. Fund The Kresge Foundation: Environment Program- Renewable Energy ClimateWorks Foundation Doris Duke Charitable Foundation: Climate Change Initiative	House Appropriations: Matheson Senate Appropriations: Hatch
Dept of Energy Dept of Agriculture	Clinton Foundation: Combating Climate Change (Solar/CCS) MacArthur Foundation: Community and Economic Development Sloan Foundation: Public Understanding of Science and Tech The Rockefeller Foundation: Climate and Environment The Schmidt Family Foundation: Climate The David and Lucile Packard Foundation: Climate	State of Utah General Fund State of Utah Ongoing Appropriation Chevron BP PacifiCorp
	Gates Foundation: Special Initiatives Ford Foundation: Asset Building and Community Development Gordon and Betty Moore Foundation: Environmental Conservation	

## Key Takeaways:

- House/Senate Appropriations seem like the most viable route given infancy of UGREEN program
- Work remains to gain deeper understanding of opportunities /limitations



# Case Study: New Mexico

- Funding:
  - Initially funded \$1.5m from General Revenue Fund
  - 2 year operating budget of \$580,000 for 3 staff
  - Requested earmark from senators to sustain operations
  - Set up project fee: \$75,000 annual payment from developers (or \$550,000 NPV one time payment)
    - Strategy is to get developers to pay for authority; benefit to developers outweighs costs of payments, etc.

# Proposed Mission Statement

“Provide funding to develop transmission infrastructure projects to bring renewable energy<sup>1</sup> resources to market and thereby contribute to the economy of the State and the communities where the project is located”

(1) As defined by section 10-19-102

# Next Steps: Goals for June 15, 2010 Board Meeting

1. Rigorously evaluate funding sources/options for UGREEN's sustained existence
2. Create and implement the organizational, operational and structural framework within which UGREEN will operate (take guidance from MIDA/ NM RETA)
  - Preliminary Budget
  - Preliminary Project Application and Selection Criteria
3. Create Skeleton Business Plan
  - Explore idea of UGREEN conceptual resource plan (see below)

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Black & Veatch and Dianne Nielson (Governor's Energy Advisor) will present UREZ Phase II Findings → significant impact and relevance for the formation UGREEN strategic initiatives